

**PROJECT INFORMATION DOCUMENT (PID)
CONCEPT STAGE**

Report No.: AB1438

| | |
|--|---|
| Project Name | Colombian National Protected Areas Conservation Trust Fund |
| Region | LATIN AMERICA AND CARIBBEAN |
| Sector | Forestry (40%);Water supply (20%);Agricultural extension and research (20%);Flood protection (10%);Vocational training (10%) |
| Project ID | P091932 |
| GEF Focal Area | |
| Borrower(s) | FONDO NACIONAL DE AREAS PROTEGIDAS |
| | Fondo Nacional de Areas Protegidas Carrera 10 No. 20-30 Piso 2 – Bogota, Colombia Tel: (57 1) 243 41 74 Fax: (57 1) 243 41 74 proambiental@sky.net.co |
| Implementing Agency | Fondo Nacional para Areas Protegidas / Unidad Especial de Parques Nacionales Carrera 10 No. 20-30 – Bogota, Colombia Tel: (571) 283 08 50 Fax: (571) 283 08 50 jmiranda@parquesnacionales.gov.co |
| Environment Category | <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined) |
| Date PID Prepared | March 15, 2005 |
| Estimated Date of Appraisal Authorization | September 15, 2005 |
| Estimated Date of Board Approval | January 15, 2006 |

1. Key development issues and rationale for Bank involvement

The project will design and implement a National Protected Areas Conservation Trust Fund (NPACTF) in Colombia as a long-term financing mechanism. GEF funding would initiate the first Conservation Trust Fund of its kind in Colombia, finance a comprehensive work plan and develop a stronger legal framework for Protected Areas. The total project amount is US\$42.4 million: US\$15 million of which are requested from a GEF donation, US\$10 million already committed through a debt swap with the U.S. government, and US\$17.4 million to be received in counterpart contributions.

The Bank has an active GEF biodiversity portfolio in Colombia, working to promote the conservation and sustainable use of biodiversity. The GEF portfolio has primarily funded individual parks and corridors of national and international importance, but no project has involved the entire National Protected Areas System. Key regions such as the Amazon and the Caribbean, with unique global ecosystems, have not benefited. The NPACTF will be used to help inadequately financed, strategic regions and initiatives.

2. Proposed objective(s)

The project development objective is the design and implementation of the NPACTF as a long-term financing mechanism to contribute to the goal of financial sustainability of Colombia's National Protected Areas System (NPAS) and strengthen the institutional capability of Protected Areas and other conservation strategies for their effective management, improving local communities' well-being. In addition to this objective, the project will: (i) implement Management Plans (MPs) throughout the NPAS; (ii) develop participatory buffer zone management activities and connectivity between conservation areas promoting the sustainable management of rural agricultural landscapes; (iii) develop broad stakeholder participation and co-management between government and local communities, including ethnic authorities, in National Parks and buffer zones, and (iv) establish financial mechanisms and market-based incentives, such as agreements for environmental service provision, tax exemptions and bio-commerce initiatives for biodiversity conservation in public and private natural reserves and landscapes related to the NPAS.

Key performance indicators include: (i) the NPACTF in operation, with a US\$15 million endowment fund and a US\$27.4 million sinking fund for the NPAS; (ii) implementation of nine Management Plans with active community participation in National Parks and recurrent cost financing for three National Parks and three other protected areas and conservation categories; (iii) five territorial ordering processes in place contemplating various economic mechanisms such as environmental services provision agreements, tax exemptions, bio-commerce initiatives, and sustainable production systems, and (iv) three co-management agreements in Protected Areas overlapping with indigenous territories.

3. Preliminary description

With GEF and TFCA resources, the Colombian government will constitute a NPACTF with a US\$15 million Endowment fund and a US\$27.4 million Sinking fund. The project will finance the following priorities: (i) *Creation and Implementation of the National Protected Areas Conservation Trust Fund (NPACTF) and Project Management*; (ii) *Support to NPAS Consolidation and Action Plan*; (iii) *National Park System and Buffer Zone Management*, to include participative Management Plan implementation and (iv) *Support to Other Protected Areas and Conservation Categories*, to include environmental services provision agreements, incentives for sustainable production systems, and social sustainability initiatives.

Principal activities in support of these components include: (i) developing planning mechanisms in regional and private, natural reserves; (ii) biodiversity conservation initiatives in rural agricultural landscapes in selected buffer zones, through the implementation of sustainable production systems; (iii) active local community participation processes in protected areas management and rural landscape management for biodiversity conservation, and (iv) financial support for the management of core conservation areas defined by indigenous authorities and Afro-Colombian groups inside their territories.

The Fund's management board will be integrated by both public and private sector representatives, with a private sector majority. Public sector representatives will include the Ministry of Environment, Housing and Regional Development as the maximum environmental authority, the National Parks Authority as NPAS coordinator and a representative from the Regional Environmental Authorities (CARs). Private sector members will represent various academic and social spheres, including national NGOs, ethnic organizations, social sectors (i.e., business and peasants) and the academic sector.

4. Safeguard policies that might apply

The project may trigger the Indigenous Peoples (O.D. 4.20) Safeguard Policy, in Protected Areas overlapping with indigenous territories. Indigenous communities might be opposed to the constitution of certain Protected Areas. The project team is firmly committed to reaching co-management agreements with indigenous authorities in such Protected Areas, and in funding indigenous territories at the request of indigenous leaders. The Environmental Assessment Safeguards Policy (O.P./B.P. 4.01) may apply to the project. Construction of facilities in Protected Areas may have environmental impact, while implementation of sustainable production systems may result in ecosystem degradation. However, the project team's environmental assessment states that the project will refurbish existing facilities rather than build new ones, and that project activities are expected to restore ecosystems and their connectivity. The project may trigger the Involuntary Resettlement Safeguards Policy (O.P./B.P. 4.12), since the ways of life of communities inhabiting in or near Protected Areas may be affected through restraints on natural resource use. The team's assessment is that the participative nature of management plan implementation and planning, as well as the provision of alternative livelihood mechanisms, will generate positive socio-economic effects at the local community level. Finally, the Cultural Property Safeguards Policy (OPN 11.03) may apply, if indigenous ancestral sites containing petroglyphs or cultural relics are present in Protected Areas. However, the conservation of core areas should have a positive effect on the protection of cultural property throughout the National Protected Areas System.

5. Tentative financing

| Source: | (\$m.) |
|-----------------------------|--------|
| BORROWER/RECIPIENT | 27.4 |
| GLOBAL ENVIRONMENT FACILITY | 15.0 |
| Total | 42.4 |

6. Contact point

Contact: Juan Pablo Ruiz

Title: Natural Resources Mgmt. Spec.

Tel: 5280+233

Fax: 5280+270

Email: Jruiz@worldbank.org

Location: Bogota, Colombia (IBRD)

